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Washington DC, United States, October 21, 2021

## JOINT STATEMENT

### **Dispute Resolution process between La Compagnie des Bauxites de Guinée (CBG) (the Company) and Representatives of the Thirteen affected villages of Sangarédi, Guinea (the Complainants).**

This Joint Statement relates to an ongoing dispute resolution process facilitated by CAO, between 26 representatives of the 13 local communities of Sangarédi<sup>1</sup>, supported by three NGO's<sup>2</sup>, and La Compagnie des Bauxites de Guinée (CBG) (the "Parties"). The complaint was filed in February 2019, and both parties indicated a desire to resolve the issues raised in the complaint through dialogue. At the Parties' request, IFC (International Finance Corporation) and Halco (Mining) Inc. (private shareholder of CBG) are formal observers of the dispute resolution process.

Six joint virtual mediation sessions were held between April and October 2021 to discuss, exchange information, and explore solutions concerning the impacts of dynamite blasting on the communities, the first issue the parties have chosen to address in the dispute resolution process.

On October 21, 2021, the Parties signed **an agreement on blasting** where they agreed on provisions related to a) remediation of past damages and losses (assessed by an expert) that might be caused by blasting, b) prevention and mitigation of future impacts, and c) addressing and remediation of future impacts caused by blasting.

In particular, the Parties agreed:

- To appoint an independent expert to:
  - investigate, evaluate, and ascertain the damages caused by blasting;
  - make recommendations on the adequacy of CBG's mitigation measures to avoid potential future negative impacts of blasting and surface miners, including the adequacy of the blasting buffer zones; and
  - monitor the implementation of the mitigation and remedial measures.
- That CBG commits to implementing the mitigation measures, including the use of surface miners which is an alternative to blasting, and the remedial or reparation measures following the recommendations contained in the expert's final report;

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<sup>1</sup> The thirteen villages include: Hamdallaye, Fassaly Foutabhè, Boundou Wandè, Kogon Lengué, N'danta Fognè, Bourorè, Samayabhè, Paragogo, Parawi, Parawol, Sinthiourou Lafou, Lafou Mbaïla and Horè Lafou.

<sup>2</sup> The NGOs are:

1. Centre de Commerce International pour le Développement (CECIDE),
2. L'Association pour le Développement rural et l'Entraide Mutuelle en Guinée (ADREMGUI)
3. Inclusive Development International (IDI)

- That CBG will cease dynamite blasting activities within 1000 meters of a village as of October 1, 2021 and will not use surface miners within 500 meters of a village pending expert's view on the buffer zones;
- That the communities can raise any potential future impacts related to blasting or the use of surface miners through CBG's grievance mechanism, which will be discussed later in the mediation process under the stakeholder engagement and grievance mechanism discussions;
- That outstanding issues related to blasting that the Parties could not agree on during the past six joint mediation sessions, including the potential impacts that blasting may have on access to and availability of sufficient grazing and farmland near villages, and the resolution of any dispute arising from breach or non-compliance with this and future agreements, will be discussed later in the dispute resolution process;
- That CAO will monitor the implementation of the agreement.

Both Parties attach paramount importance to acting in good faith and mutual respect throughout the mediation process. They agree to continue engaging on the remaining issues raised in the complaint and proactively seek resolution.

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